

**EIGHTY-FOURTH GENERAL ASSEMBLY
2012 REGULAR SESSION
DAILY
HOUSE CLIP SHEET**

MARCH 20, 2012

HOUSE FILE 2339

H-8282

1 Amend House File 2339 as follows:
2 1. Page 11, after line 7 by inserting:
3 <Sec. _____. Section 514E.1, Code 2011, is amended by
4 adding the following new subsection:
5 NEW SUBSECTION. 12A. "HIPIOWA-FED" means the
6 limited liability company organized by the association
7 for the purposes of administering the state of Iowa
8 temporary high-risk insurance pool program pursuant to
9 a contract with the United States department of health
10 and human services.
11 Sec. _____. Section 514E.2, subsection 2, Code 2011,
12 is amended by striking the subsection and inserting in
13 lieu thereof the following:
14 2. a. The board of directors of the association
15 shall consist of seven voting members and seven
16 nonvoting members. The voting members shall be
17 appointed by the governor, subject to confirmation by
18 the senate. The governor shall designate one voting
19 member as chairperson and one as vice chairperson.
20 b. The voting members of the board of directors
21 shall be appointed by the governor as follows:
22 (1) Two persons who represent the interests of
23 small business from nominations made to the governor
24 by nationally recognized groups that represent the
25 interests of small business.
26 (2) Two persons who represent the interests of
27 consumers from nominations made to the governor
28 by nationally recognized groups that represent the
29 interests of consumers.
30 (3) One person who is an insurance producer
31 licensed under chapter 522B.
32 (4) One person who is a health care actuary or
33 economist with expertise in health insurance.
34 (5) One person who is a health care provider.
35 c. The nonvoting members are as follows:
36 (1) The commissioner or the commissioner's
37 designee.
38 (2) The director of human services or the
39 director's designee.
40 (3) The director of public health or the director's
41 designee.
42 (4) Four members of the general assembly,
43 one appointed by the speaker of the house of
44 representatives, one appointed by the minority leader
45 of the house of representatives, one appointed by the
46 majority leader of the senate, and one appointed by the
47 minority leader of the senate.
48 d. Meetings of the board of directors shall be held
49 at the call of the chairperson or upon the request of
50 at least two voting members. Four voting members shall

H-8282

1 constitute a quorum and the affirmative vote of four
2 voting members shall be necessary for any action taken
3 by the board.

4 e. The voting members of the board of directors
5 shall be appointed for staggered terms of three years
6 within sixty days after the effective date of this
7 section of this Act and by December 15 of each year
8 thereafter. The initial terms of the voting members
9 of the board shall be staggered at the discretion
10 of the governor. A voting member of the board is
11 eligible for reappointment. The governor shall fill a
12 vacancy on the board in the same manner as the original
13 appointment for the remainder of the term.

14 f. Members of the board may be reimbursed from the
15 moneys of the association for expenses incurred by them
16 as members, but shall not be otherwise compensated by
17 the association for their services.

18 Sec. _____. Section 514E.2, subsection 4, Code 2011,
19 is amended to read as follows:

20 4. a. The plan of operation may provide that the
21 powers and duties of the association may be delegated
22 to a person who will perform functions similar to those
23 of the association. A delegation under this section
24 takes effect only upon the approval of both the board
25 of directors and the commissioner. The commissioner
26 shall not approve a delegation unless the protections
27 afforded to the insured are substantially equivalent to
28 or greater than those provided under this chapter.

29 b. A delegation made to a person pursuant to
30 this subsection shall be subject to annual review
31 by the government oversight standing committees of
32 the general assembly. Within sixty days after the
33 effective date of this section of this Act and annually
34 thereafter, any person to whom the powers and duties of
35 the association have been delegated pursuant to this
36 subsection shall submit a report to the government
37 oversight committees setting forth the following:

38 (1) The scope of the functions performed by the
39 person.

40 (2) Any contractual provisions between the person
41 and the association or between the person and any other
42 entity on behalf of the association.

43 (3) An accounting of the activities and services
44 performed by the person on behalf of the association.

45 (4) An accounting of all payments made to the
46 person by the association, including but not limited to
47 an itemization of the services rendered and the amount
48 of each payment apportioned to the performance of each
49 activity or service.

50 (5) Any other information requested by the board

1 of directors of the association, the commissioner of
2 insurance, or the government oversight committees.

3 Sec. _____. Section 514E.2, Code 2011, is amended by
4 adding the following new subsection:

5 NEW SUBSECTION. 5A. The association shall accept
6 third-party payment of premiums for an individual
7 enrolled in health insurance coverage from the
8 association.

9 Sec. _____. Section 514E.2, subsection 7, Code 2011,
10 is amended by adding the following new paragraph:

11 NEW PARAGRAPH. 0b. Following the close of each
12 calendar year, HIPIOWA-FED shall determine the net
13 premiums and payments, the expenses of administration,
14 and the incurred losses of the program for the year.
15 HIPIOWA-FED shall certify the amount of any net loss
16 for the preceding calendar year to the commissioner of
17 insurance and director of revenue and to the United
18 States department of health and human services. In the
19 event that additional federal funding is not provided
20 to HIPIOWA-FED to offset the loss, the loss shall be
21 assessed by the association on behalf of HIPIOWA-FED to
22 all members of the association in proportion to their
23 respective shares of total health insurance premiums
24 or payments for subscriber contracts received in Iowa
25 during the second preceding calendar year, or with paid
26 losses in the year, coinciding with or ending during
27 the calendar year or on any other equitable basis as
28 provided in the plan of operation of the association
29 or as required by the United States department of
30 health and human services. In sharing losses, the
31 association, on behalf of HIPIOWA-FED, may abate or
32 defer in any part the assessment of a member, if, in
33 the opinion of the board of the association, payment
34 of the assessment would endanger the ability of the
35 member to fulfill its contractual obligations. The
36 association, on behalf of HIPIOWA-FED, may also provide
37 for an initial or interim assessment against members of
38 the association if necessary to assure the financial
39 capability of HIPIOWA-FED to meet the incurred or
40 estimated claims expenses or operating expenses of the
41 temporary high-risk insurance pool program until the
42 next calendar year is completed. Net gains, if any,
43 must be held at interest to offset future losses or
44 allocated to reduce future premiums.

45 Sec. _____. Section 514E.2, Code 2011, is amended by
46 adding the following new subsections:

47 NEW SUBSECTION. 12A. The association shall be
48 considered a governmental body for purposes of chapter
49 21 and a government body for purposes of chapter 22.
50 A person to whom the association delegates the duties

1 and powers of the association shall be considered a
2 governmental body for purposes of chapter 21 and a
3 government body for purposes of chapter 22 to the
4 extent that the person carries out the powers and
5 duties of the association.

6 NEW SUBSECTION. 12B. HIPIOWA-FED shall be
7 considered a governmental body for purposes of chapter
8 21 and a government body for purposes of chapter 22.

9 A person to whom the duties and powers of the limited
10 liability company are delegated shall be considered
11 a governmental body for purposes of chapter 21 and
12 a government body for purposes of chapter 22 to the
13 extent that the person carries out the powers and
14 duties of the limited liability company.

15 Sec. _____. Section 514E.7, subsection 5, paragraph
16 d, Code 2011, is amended by striking the paragraph.

17 Sec. _____. Section 514J.103, subsection 1, Code
18 Supplement 2011, is amended to read as follows:

19 1. Except as provided in subsection 2, this chapter
20 shall apply to all health carriers, including health
21 carriers issuing a policy or certificate that provides
22 coverage for dental care.

23 Sec. _____. Section 514J.103, subsection 2, paragraph
24 a, Code Supplement 2011, is amended to read as follows:

25 a. A policy or certificate that provides coverage
26 only for a specified disease, specified accident or
27 accident-only, credit, disability income, hospital
28 indemnity, long-term care, ~~dental care~~, vision care, or
29 any other limited supplemental benefit.>

30 2. Page 16, after line 17 by inserting:

31 <Sec. _____. REQUEST FOR AMENDMENT OF CONTRACT
32 PROVISIONS BY HIPIOWA-FED. Within thirty days after
33 enactment of the sections of this Act amending sections
34 514E.1 and 514E.2, HIPIOWA-FED, the limited liability
35 company organized by the Iowa comprehensive health
36 insurance association for the purpose of administering
37 the state of Iowa temporary high-risk insurance pool
38 program pursuant to a contract with the United States
39 department of health and human services, shall request
40 that the United States department of health and human
41 services amend the requirements of the contract between
42 HIPIOWA-FED and the department to allow HIPIOWA-FED
43 to accept third-party payment of premiums for an
44 individual enrolled in the program.>

45 3. Page 16, after line 21 by inserting:

46 <2. The section of this Act amending section
47 514E.1.

48 3. The sections of this Act amending section
49 514E.2.>

50 4. By renumbering as necessary.

By PETTENGILL of Benton

HOUSE FILE 2421

H-8285

1 Amend House File 2421 as follows:

2 1. By striking everything after the enacting clause
3 and inserting:

4 <Section 1. Section 80B.11, subsection 1, paragraph
5 c, Code 2011, is amended by adding the following new
6 subparagraph:

7 NEW SUBPARAGRAPH. (3) In-service training under
8 this paragraph "c" shall include the requirement
9 that all law enforcement officers complete a course
10 on mental health at least once every four years. In
11 developing the requirements for this training, the
12 director shall seek input from mental health care
13 providers and mental health care consumers.

14 Sec. 2. Section 125.91, subsection 1, Code
15 Supplement 2011, is amended to read as follows:

16 1. The procedure prescribed by this section
17 shall only be used for an intoxicated person who
18 has threatened, attempted, or inflicted physical
19 self-harm or harm on another, and is likely to
20 inflict physical self-harm or harm on another unless
21 immediately detained, or who is incapacitated by a
22 chemical substance, ~~if that person cannot be taken into~~
23 ~~immediate custody under sections 125.75 and 125.81~~
24 ~~because immediate access to the court is not possible~~
25 an application has not been filed naming the person
26 as the respondent pursuant to section 125.75 and the
27 person cannot be ordered into immediate custody and
28 detained pursuant to section 125.81.

29 Sec. 3. Section 135C.3, subsection 1, Code 2011, is
30 amended to read as follows:

31 1. A licensed nursing facility shall provide
32 an organized twenty-four-hour program of services
33 commensurate with the needs of its residents and
34 under the immediate direction of a licensed nurse.
35 Medical and nursing services must be provided
36 under the direction of either a house physician
37 or an individually selected physician. Surgery or
38 obstetrical care shall not be provided within the
39 facility. An admission to the nursing facility must
40 be based on a physician's written order certifying
41 that the individual being admitted requires no greater
42 degree of nursing care than the facility to which the
43 admission is made is licensed to provide and is capable
44 of providing. The nursing facility is not required to
45 admit an individual through court order, referral, or
46 other means without the express prior approval of the
47 administrator of the nursing facility.

48 Sec. 4. Section 135C.4, Code 2011, is amended to
49 read as follows:

50 135C.4 Residential care facilities.

H-8285

1 1. Each facility licensed as a residential care
2 facility shall provide an organized continuous
3 twenty-four-hour program of care commensurate with
4 the needs of the residents of the home and under
5 the immediate direction of a person approved and
6 certified by the department whose combined training and
7 supervised experience is such as to ensure adequate and
8 competent care.

9 2. All admissions to residential care facilities
10 shall be based on an order written by a physician
11 certifying that the individual being admitted does
12 not require nursing services or that the individual's
13 need for nursing services can be avoided if home and
14 community-based services, other than nursing care, as
15 defined by this chapter and departmental rule, are
16 provided.

17 3. For the purposes of this section, the home
18 and community-based services to be provided shall
19 be limited to the type included under the medical
20 assistance program provided pursuant to chapter 249A,
21 shall be subject to cost limitations established by
22 the department of human services under the medical
23 assistance program, and except as otherwise provided
24 by the department of inspections and appeals with
25 the concurrence of the department of human services,
26 shall be limited in capacity to the number of licensed
27 residential care facilities and the number of licensed
28 residential care facility beds in the state as of
29 December 1, 2003.

30 4. A residential care facility is not required to
31 admit an individual through court order, referral, or
32 other means without the express prior approval of the
33 administrator of the residential care facility.

34 Sec. 5. Section 228.1, subsection 6, Code 2011, is
35 amended by striking the subsection and inserting in
36 lieu thereof the following:

37 6. "Mental health professional" means an individual
38 who has either of the following qualifications:

39 a. The individual meets all of the following
40 requirements:

41 (1) The individual holds at least a master's degree
42 in a mental health field, including but not limited
43 to psychology, counseling and guidance, nursing,
44 and social work, or is an advanced registered nurse
45 practitioner, a physician assistant, or a physician and
46 surgeon or an osteopathic physician and surgeon.

47 (2) The individual holds a current Iowa license if
48 practicing in a field covered by an Iowa licensure law.

49 (3) The individual has at least two years of
50 post-degree clinical experience, supervised by another

1 mental health professional, in assessing mental health
2 needs and problems and in providing appropriate mental
3 health services.

4 b. The individual holds a current Iowa license if
5 practicing in a field covered by an Iowa licensure law
6 and is a psychiatrist, an advanced registered nurse
7 practitioner who holds a national certification in
8 psychiatric mental health care registered by the board
9 of nursing, a physician assistant practicing under the
10 supervision of a psychiatrist, or an individual who
11 holds a doctorate degree in psychology and is licensed
12 by the board of psychology.

13 Sec. 6. Section 229.1, Code Supplement 2011, is
14 amended by adding the following new subsection:

15 NEW SUBSECTION. 8A. "Mental health professional"
16 means the same as defined in section 228.1.

17 Sec. 7. Section 229.1, subsection 14, Code
18 Supplement 2011, is amended by striking the subsection.

19 Sec. 8. Section 229.1, subsection 16, Code
20 Supplement 2011, is amended to read as follows:

21 16. "Serious emotional injury" is an injury
22 which does not necessarily exhibit any physical
23 characteristics, but which can be recognized and
24 diagnosed by a licensed physician or other ~~qualified~~
25 mental health professional and which can be causally
26 connected with the act or omission of a person who is,
27 or is alleged to be, mentally ill.

28 Sec. 9. NEW SECTION. 229.5A Preapplication
29 screening assessment ---- program.

30 Prior to filing an application for involuntary
31 hospitalization pursuant to section 229.6, the clerk
32 of the district court or the clerk's designee shall
33 inform the interested person referred to in section
34 229.6, subsection 1, about the option of requesting
35 a preapplication screening assessment through a
36 preapplication screening assessment program. The state
37 court administrator shall prescribe practices and
38 procedures for implementation of the preapplication
39 screening assessment program.

40 Sec. 10. Section 229.6, Code 2011, is amended to
41 read as follows:

42 229.6 Application for order of involuntary
43 hospitalization.

44 1. Proceedings for the involuntary hospitalization
45 of an individual may be commenced by any interested
46 person by filing a verified application with the
47 clerk of the district court of the county where
48 the respondent is presently located, or which is
49 the respondent's place of residence. The clerk, or
50 the clerk's designee, shall assist the applicant in

1 completing the application. The application shall:
2 ~~1-~~ a. State the applicant's belief that the
3 respondent is seriously mentally impaired.
4 ~~2-~~ b. State any other pertinent facts.
5 ~~3-~~ c. Be accompanied by any of the following:
6 a- (1) A written statement of a licensed physician
7 in support of the application; ~~or.~~
8 b- (2) One or more supporting affidavits otherwise
9 corroborating the application; ~~or.~~
10 e- (3) Corroborative information obtained and
11 reduced to writing by the clerk or the clerk's
12 designee, but only when circumstances make it
13 infeasible to comply with, or when the clerk considers
14 it appropriate to supplement the information supplied
15 pursuant to, either ~~paragraph "a" or paragraph "b" of~~
16 this subsection subparagraph (1) or (2).
17 2. Prior to the filing of an application pursuant
18 to this section, the clerk or the clerk's designee
19 shall inform the interested person referred to
20 in subsection 1 about the option of requesting a
21 preapplication screening assessment pursuant to section
22 229.5A.

23 Sec. 11. Section 229.10, subsection 1, paragraph b,
24 Code 2011, is amended to read as follows:

25 b. Any licensed physician conducting an examination
26 pursuant to this section may consult with or request
27 the participation in the examination of any ~~qualified~~
28 mental health professional, and may include with or
29 attach to the written report of the examination any
30 findings or observations by any ~~qualified~~ mental
31 health professional who has been so consulted or has so
32 participated in the examination.

33 Sec. 12. Section 229.12, subsection 3, paragraph b,
34 Code 2011, is amended to read as follows:

35 b. The licensed physician or ~~qualified~~ mental
36 health professional who examined the respondent shall
37 be present at the hearing unless the court for good
38 cause finds that the licensed physician's or ~~qualified~~
39 mental health professional's presence or testimony
40 is not necessary. The applicant, respondent, and
41 the respondent's attorney may waive the presence or
42 the telephonic appearance of the licensed physician
43 or ~~qualified~~ mental health professional who examined
44 the respondent and agree to submit as evidence the
45 written report of the licensed physician or ~~qualified~~
46 mental health professional. The respondent's
47 attorney shall inform the court if the respondent's
48 attorney reasonably believes that the respondent, due
49 to diminished capacity, cannot make an adequately
50 considered waiver decision. "Good cause" for finding

1 that the testimony of the licensed physician or
2 ~~qualified~~ mental health professional who examined the
3 respondent is not necessary may include but is not
4 limited to such a waiver. If the court determines that
5 the testimony of the licensed physician or ~~qualified~~
6 mental health professional is necessary, the court may
7 allow the licensed physician or the ~~qualified~~ mental
8 health professional to testify by telephone.

9 Sec. 13. Section 229.19, subsection 1, paragraph
10 d, Code 2011, is amended by adding the following new
11 subparagraph:

12 NEW SUBPARAGRAPH. (7) To utilize the related best
13 practices for the duties identified in this paragraph
14 "d" developed and promulgated by the judicial council.

15 Sec. 14. Section 229.19, subsection 1, Code 2011,
16 is amended by adding the following new paragraph:

17 NEW PARAGRAPH. e. An advocate may also be
18 appointed pursuant to this section for an individual
19 who has been diagnosed with a co-occurring mental
20 illness and substance-related disorder.

21 Sec. 15. Section 229.22, subsection 1, Code
22 Supplement 2011, is amended to read as follows:

23 1. The procedure prescribed by this section shall
24 ~~not be used unless when it appears that a person~~
25 ~~should be immediately detained due to serious mental~~
26 ~~impairment, but that person cannot be immediately~~
27 ~~detained by the procedure prescribed in sections 229.6~~
28 ~~and 229.11 because there is no means of immediate~~
29 ~~access to the district court an application has not~~
30 ~~been filed naming the person as the respondent pursuant~~
31 ~~to section 229.6, and the person cannot be ordered into~~
32 ~~immediate custody and detained pursuant to section~~
33 ~~229.11.~~

34 Sec. 16. Section 602.1209, Code 2011, is amended by
35 adding the following new subsection:

36 NEW SUBSECTION. 15A. Prescribe practices and
37 procedures for the implementation of the preapplication
38 screening assessment program referred to in section
39 229.5A.

40 Sec. 17. CONTINUATION OF WORKGROUP BY JUDICIAL
41 BRANCH AND DEPARTMENT OF HUMAN SERVICES ----
42 CONSOLIDATION OF SERVICES ---- PATIENT ADVOCATE. The
43 judicial branch and department of human services
44 shall continue the workgroup implemented pursuant
45 to 2010 Iowa Acts, chapter 1192, section 24,
46 subsection 2, and extended pursuant to 2011 Iowa
47 Acts, chapter 121, section 2, to study and make
48 recommendations relating to the consolidation of
49 the processes for involuntary commitment for persons
50 with substance-related disorders under chapter 125,

1 for intellectual disability under chapter 222, and
2 for serious mental illness under chapter 229. The
3 workgroup shall also include representatives from
4 the department of public health. The workgroup shall
5 also study and make recommendations concerning the
6 feasibility of establishing an independent statewide
7 patient advocate program for qualified persons
8 representing the interests of patients suffering
9 from mental illness, intellectual disability, or a
10 substance-related disorder and involuntarily committed
11 by the court, in any matter relating to the patients'
12 hospitalization or treatment under chapters 125, 222,
13 and 229, and shall also include recommendations for a
14 patient advocate representing the interests of patients
15 found not guilty of a crime by reason of insanity.
16 The workgroup shall also consider the implementation
17 of consistent reimbursement standards for patient
18 advocates supported by a state-funded system and shall
19 also consider the role of the advocate for a person who
20 has been diagnosed with a co-occurring mental illness
21 and substance-related disorder. The workgroup shall
22 solicit input from current mental health advocates
23 and mental health and substance-related disorder care
24 providers and individuals receiving services whose
25 interests would be represented by an independent
26 statewide advocate program and shall submit a report on
27 the study and make recommendations to the governor and
28 the general assembly by December 1, 2012.

29 Sec. 18. COMPREHENSIVE JAIL DIVERSION PROGRAM
30 ---- MENTAL HEALTH COURTS ---- STUDY. The division
31 of criminal and juvenile justice planning of the
32 department of human rights shall conduct a study
33 regarding the possible establishment of a comprehensive
34 statewide jail diversion program, including the
35 establishment of mental health courts, for nonviolent
36 criminal offenders who suffer from mental illness.
37 The division shall solicit input from the department
38 of human services, the department of corrections, and
39 other members of the criminal justice system including
40 but not limited to judges, prosecutors, and defense
41 counsel, and mental health treatment providers and
42 consumers. The division shall establish the duties,
43 scope, and membership of the study commission and
44 shall also consider the feasibility of establishing a
45 demonstration mental health court. The division shall
46 submit a report on the study and make recommendations
47 to the governor and the general assembly by December
48 1, 2012.

49 Sec. 19. PRIOR LAW ENFORCEMENT MENTAL HEALTH
50 TRAINING. A law enforcement officer who has completed

H-8285

Page 7

1 academy-approved mental health training within the
2 twelve-month period prior to the effective date of this
3 Act, either through in-service or academy-approved
4 basic training, shall be considered to have met the
5 first four-year mental health training requirement
6 of section 80B.11, subsection 1, paragraph "c",
7 subparagraph (3), as enacted in this Act.>

By SCHULTE of Linn

H-8285 FILED MARCH 19, 2012

HOUSE FILE 2435

H-8291

1 Amend House File 2435 as follows:

2 1. Page 61, after line 23 by inserting:

3 <Sec. _____. Section 237A.13, subsection 7,
4 paragraphs a and c, Code 2011, are amended to read as
5 follows:

6 a. Families with an income at or below one hundred
7 percent of the federal poverty level whose members ~~are~~
8 ~~employed,~~ for at least twenty-eight hours per week in
9 the aggregate, are employed or are participating at a
10 satisfactory level in an approved training program or
11 educational program, and parents with a family income
12 at or below one hundred percent of the federal poverty
13 level who are under the age of twenty-one years and are
14 participating in an educational program leading to a
15 high school diploma or the equivalent.

16 c. Families with an income of more than one hundred
17 percent but not more than one hundred forty-five
18 percent of the federal poverty level whose members ~~are~~
19 ~~employed,~~ for at least twenty-eight hours per week in
20 the aggregate, are employed or are participating at a
21 satisfactory level in an approved training program or
22 educational program.>

23 2. By renumbering as necessary.

By PETERSEN of Polk

H-8291 FILED MARCH 19, 2012

SENATE FILE 479

H-8287

1 Amend Senate File 479, as passed by the Senate, as
2 follows:

3 1. Page 1, before line 1 by inserting:

4 <Section 1. Section 484B.1, Code 2011, is amended
5 by adding the following new subsection:

6 NEW SUBSECTION. 3A. "Domesticated swine" means
7 livestock that is a member of the species or subspecies
8 sus scrofa domesticus. "Domesticated swine" does not
9 include a dangerous wild animal as defined in section
10 717F.1, including a member of the species sus scrofa
11 linnaeus, such as swine commonly known as a Russian
12 boar or European boar of either sex.

13 Sec. _____. Section 484B.4, subsection 1, Code 2011,
14 is amended to read as follows:

15 1. A person who owns or controls by lease or
16 otherwise for five or more years, a contiguous tract
17 of land having an area of not less than three hundred
18 twenty acres, and who desires to establish a hunting
19 preserve, to propagate and sell game birds and their
20 young or unhatched eggs, and or shoot game birds, and
21 ungulates, or domesticated swine on the land, under
22 this chapter or the rules of the commission, shall
23 make application to the department for an operator's
24 license. The application shall be made under oath of
25 the applicant or under oath of one of its principal
26 officers if the applicant is an association or
27 corporation. Under the authority of this license, any
28 property or facilities to be used for propagating,
29 holding, processing, or pasturing of game birds, ~~or~~
30 ungulates, or domesticated swine shall not be required
31 to be contained within the contiguous land area
32 used for hunting purposes. The application shall be
33 accompanied by an operator's license fee of two hundred
34 dollars.

35 Sec. _____. Section 484B.4, subsection 2, paragraph
36 d, Code 2011, is amended to read as follows:

37 d. The game birds, ~~or~~ ungulates, or domesticated
38 swine released on the preserve will not be detrimental
39 to wildlife.

40 Sec. _____. Section 484B.7, subsection 2, Code 2011,
41 is amended to read as follows:

42 2. Each licensee shall file an annual report with
43 the department on or before April 30. The report
44 shall detail the hunting preserve operations during
45 the preceding license year. The original report shall
46 be forwarded to the department and a copy shall be
47 retained in the hunting preserve's file for three years
48 from the date of expiration of the hunting preserve's
49 last license issued. Records required by this section
50 shall be entered in the annual report record within

H-8287

1 twenty-four hours of the event. Failure to keep or
2 submit the required records and reports is grounds for
3 refusal to renew a license for the succeeding year. An
4 on-site inspection of property and facilities shall
5 be conducted by an authorized agent of the department
6 prior to the initial issuance of a hunting preserve
7 license. The hunting preserve may be reinspected by
8 an agent of the department at any reasonable time.
9 A licensed hunting preserve shall maintain adequate
10 facilities for all designated birds, ~~and~~ ungulates,
11 or domesticated swine held under the hunting preserve
12 license.

13 Sec. _____. NEW SECTION. 484B.12A Domesticated swine

14 1. The requirements of this chapter applicable
15 to ungulates shall apply to domesticated swine. In
16 addition, a person shall not obtain or retain a hunting
17 preserve license to confine domesticated swine unless
18 all of the following apply:

19 a. The domesticated swine must be confined by a
20 fence as provided in section 484B.5 that is constructed
21 in a manner and using materials approved by the
22 department of natural resources in cooperation with the
23 department of agriculture and land stewardship.

24 b. The department of natural resources shall
25 provide for special tags to identify domesticated swine
26 in the same manner as provided for ungulates in section
27 484B.9.

28 c. In addition to the health requirements for
29 ungulates provided in section 484B.12, a domesticated
30 swine shall be subject to all statutes and rules
31 applicable to the health of swine, as provided in Title
32 V, subtitle 2, including the prevention, control,
33 and eradication of diseases afflicting swine. The
34 department of agriculture may adopt rules to provide
35 for the testing of such swine. The department of
36 agriculture and land stewardship may require special
37 information included in records or reports as provided
38 in section 484B.7.

39 2. The department of natural resources and the
40 department of agriculture and land stewardship
41 shall cooperate in administering this section.
42 In administering this section, the department of
43 agriculture and land stewardship may inspect a proposed
44 hunting preserve and its facilities as provided in
45 section 484B.4 and may inspect the records or reports
46 of a hunting preserve licensee, and may inspect
47 the licensed hunting preserve and facilities at any
48 reasonable time.>

49 2. Page 1, before line 26 by inserting:

50 <Sec. _____. WILD BOARS.

H-8287

Page 3

1 1. As used in this section, "wild boar" means swine
2 that is a member of the species *sus scrofa linnaeus*,
3 including but not limited to swine commonly known as a
4 Russian boar or European boar of either sex.

5 2. Notwithstanding chapter 717F, a person who since
6 July 1, 2007, has confined one or more wild boars on
7 a contiguous tract of land having an area of not less
8 than three hundred twenty acres that is or has been
9 licensed as a hunting preserve under chapter 484B shall
10 have ninety days from the effective date of this Act to
11 destroy all wild boars possessed by the person.

12 3. A person who complies with subsection 2 shall
13 not be subject to section 484B.13, 484B.14, or
14 717F.11.>

15 3. Title page, line 1, before <cats> by inserting
16 <, and penalties relating to, swine classified as
17 domesticated swine and wild boars and>

18 4. By renumbering as necessary.

By HORBACH of Tama

H-8287 FILED MARCH 19, 2012

SENATE FILE 2121

H-8292

1 Amend Senate File 2121, as passed by the Senate, as
2 follows:

3 1. Page 6, after line 9 by inserting:
4 <7. Promote the office's existing toll-free
5 telephone line and electronic mail address as the
6 "government watchdog hotline", and encourage persons
7 to use the hotline to report fraud, waste, and
8 malfeasance. The government watchdog hotline telephone
9 number and electronic mail address shall be displayed
10 on all state government internet sites, at highway rest
11 areas, at the state fairgrounds, and to the extent
12 practicable in state published materials.>>

By PETERSEN of Polk

H-8292 FILED MARCH 19, 2012

SENATE FILE 2123

H-8280

1 Amend Senate File 2123, as passed by the Senate, as
2 follows:
3 1. Page 1, after line 23 by inserting:
4 <Sec. _____. Section 124.401, subsection 4, Code
5 Supplement 2011, is amended by adding the following new
6 paragraphs:
7 NEW PARAGRAPH. o. Ammonium sulfate.
8 NEW PARAGRAPH. p. Ammonium nitrate.
9 NEW PARAGRAPH. q. Sodium hydroxide.>
10 2. Title page, line 1, after <schedules,> by
11 inserting <including possession of certain substances
12 relating to the manufacture of a controlled substance,>
13 3. By renumbering as necessary.

By WORTHAN of Buena Vista

H-8280 FILED MARCH 19, 2012

SENATE FILE 2123

H-8284

1 Amend Senate File 2123, as passed by the Senate, as
2 follows:

3 1. Page 1, before line 1 by inserting:

4 <Section 1. Section 124.201, subsection 4, Code
5 2011, is amended to read as follows:

6 4. If any new substance is designated as a
7 controlled substance under federal law and notice of
8 the designation is given to the board, the board shall
9 similarly designate as controlled the new substance
10 under this chapter after the expiration of thirty days
11 from publication in the Federal Register of a final
12 order designating a new substance as a controlled
13 substance, unless within that thirty-day period the
14 board objects to the new designation. In that case
15 the board shall publish the reasons for objection
16 and afford all interested parties an opportunity
17 to be heard. At the conclusion of the hearing the
18 board shall announce its decision. Upon publication
19 of objection to a new substance being designated
20 as a controlled substance under this chapter by the
21 board, control under this chapter is stayed until
22 the board publishes its decision. If a substance
23 is designated as controlled by the board under this
24 ~~paragraph~~ subsection the control shall be temporary and
25 if within sixty days after the next regular session
26 of the general assembly convenes it has not made the
27 corresponding changes in this chapter, the temporary
28 designation of control of the substance by the board
29 shall be nullified.

30 Sec. _____. Section 124.204, subsection 4, paragraph
31 ai, Code Supplement 2011, is amended by striking the
32 paragraph and inserting in lieu thereof the following:

33 ai. (1) Salvia divinorum.

34 (2) Salvinorin A.

35 (3) HU-210. [(6aR,10aR)-9-(hydroxymethyl)-6,6-
36 dimethyl-3-(2-methyloctan-2-yl)
37 6a,7,10,10a-tetrahydrobenzo[c] chromen-1-ol)].

38 (4) HU-211(dexanabinol,
39 (6aS,10aS)-9-(hydroxymethyl)-6,6-
40 dimethyl-3-(2-methyloctan-2-yl)-6a,7,10,10a-tetrahydrobenzo[c]
41 chromen-1-ol).

42 (5) Unless specifically exempted or unless
43 listed in another schedule, any material, compound,
44 mixture, or preparation which contains any quantity of
45 cannabimimetic agents, or which contains their salts,
46 isomers, and salts of isomers whenever the existence of
47 such salts, isomers, and salts of isomers is possible
48 within the specific chemical designation.

49 (a) The term "cannabimimetic agents" means any
50 substance that is a cannabinoid receptor type 1 (CB1

H-8284

1 receptor) agonist as demonstrated by binding studies
2 and functional assays within any of the following
3 structural classes:
4 (i) 2-(3-hydroxycyclohexyl)phenol with substitution
5 at the 5-position of the phenolic ring by alkyl or
6 alkenyl, whether or not substituted on the cyclohexyl
7 ring to any extent.
8 (ii) 3-(1-naphthoyl)indole or
9 3-(1-naphthylmethane)indole by substitution at the
10 nitrogen atom of the indole ring, whether or not
11 further substituted on the indole ring to any extent,
12 whether or not substituted on the naphthoyl or naphthyl
13 ring to any extent.
14 (iii) 3-(1-naphthoyl)pyrrole by substitution at
15 the nitrogen atom of the pyrrole ring, whether or not
16 further substituted in the pyrrole ring to any extent,
17 whether or not substituted on the naphthoyl ring to any
18 extent.
19 (iv) 1-(1-naphthylmethylene)indene by substitution
20 of the 3-position of the indene ring, whether or not
21 further substituted in the indene ring to any extent,
22 whether or not substituted on the naphthyl ring to any
23 extent.
24 (v) 3-phenylacetylindole or 3-benzoylindole by
25 substitution at the nitrogen atom of the indole ring,
26 whether or not further substituted in the indole ring
27 to any extent, whether or not substituted on the phenyl
28 ring to any extent.
29 (b) Such terms include:
30 (i) CP 47, 497 and homologues 2-[(1R, 3S)-3-
31 hydroxycyclohexyl]-5-(2-methyloctan-2-yl)phenol).
32 (ii) JWH-018 and AM678
33 1-Pentyl-3-(1-naphthoyl)indole.
34 (iii) JWH-073 1-Butyl-3-(1-naphthoyl)indole.
35 (iv) JWH-200
36 [1-[2-(4-morpholinyl)ethyl]-1H-indol-3-yl]-1-
37 naphthalenyl-methanone.
38 (v) JWH-19 1-hexyl-3-(1-naphthoyl)indole.
39 (vi) JWH-81
40 1-pentyl-3-[1-(4-methoxynaphthoyl)]indole.
41 (vii) JWH-122
42 1-pentyl-3-(4-methyl-1-naphthoyl)indole.
43 (viii) JWH-250
44 1-pentyl-3-(2-methoxynaphthoyl)indole.
45 (ix) RCS-4 and SR-19
46 1-pentyl-3-[(4methoxy)-benzoyl]indole.
47 (x) RCS-8 and SR-18 1-cyclohexylethyl-3-
48 (-2-methoxyphenylacetyl)indole.
49 (xi) AM2201
50 1-(5-fluoropentyl)-3-(1-naphthoyl)indole.

1 (xii) JWH-203
2 1-pentyl-3-(2-chlorophenylacetyl)indole.
3 (xiii) JWH-398
4 1-pentyl-3-(4-chloro-1-naphthoyl)indole.
5 (xiv) AM694
6 1-(5-fluoropentyl)-3-(2-iodobenzoyl)indole.
7 (xv) Cannabicyclohexanol or CP-47,497 C8-homolog
8 5-(1,1-dimethyloctyl)-2-[(1R,3S)-3-hydroxycyclohexyl]-phenol.
9 Sec. _____. Section 124.204, subsection 6, Code
10 Supplement 2011, is amended by adding the following new
11 paragraph:
12 NEW PARAGRAPH. i. Any substance, compound,
13 mixture or preparation which contains any quantity
14 of any synthetic cathinone that is not approved as
15 a pharmaceutical, including but not limited to the
16 following:
17 (1) Mephedrone, also known as
18 4-methylmethcathinone, (RS)-2-
19 methylamino-1-(4-methylphenyl) propan-1-one.
20 (2) Methylene-dioxypyrovalerone (MDPV) [(1-(1,3-
21 Benzodioxol-5-yl)-2-(1-pyrrolidinyl)-1-pentanone].
22 (3) Methylone, also known as
23 3,4-methylenedioxymethcathinone.
24 (4) Naphthylpyrovalerone (naphyrone).
25 (5) 4-fluoromethcathinone (flephedrone) or a
26 positional isomer of 4-fluoromethcathinone.
27 (6) 4-methoxymethcathinone (methedrone; Bk-PMMA).
28 (7) Ethcathinone.
29 (8) 3,4-methylenedioxyethcathinone (ethylone).
30 (9) Beta-keto-N-methyl-3,4-benzodioxymethylbutanamine
31 (butylone).
32 (10) N,N-dimethylcathinone (metamfepramone).
33 (11) Alpha-pyrrolidinopropiophenone (alpha-PPP).
34 (12) 4-methoxy-alpha-pyrrolidinopropiophenone
35 (MOPPP).
36 (13) 3,4-methylenedioxy-alpha-pyrrolidinopropiophenone
37 (MDPPP).
38 (14) Alpha-pyrrolidinovalerophenone (alpha-PVP).
39 (15) 6,7-dihydro-5H-indeno(5,6-d)-1,3-dioxal-6
40 6-amine) (MDAI).
41 (16) 3-fluoromethcathinone.
42 (17) 4'-Methyl-?-pyrrolidinobutiophenone (MPBP).
43 (18) 2-(2,5-Dimethoxy-4-ethylphenyl)ethanamine
44 (2C-E).
45 (19) 2-(2,5-Dimethoxy-4-methylphenyl)ethanamine
46 (2C-D).
47 (20) 2-(4-Chloro-2,5-dimethoxyphenyl)ethanamine
48 (2C-C).
49 (21) 2-(4-Iodo-2,5-dimethoxyphenyl)ethanamine
50 (2C-I).

Page 4

1 (22) 2-[4-(Ethylthio)-2,5-dimethoxyphenyl]ethanamine
2 (2C-T-2).
3 (23) 2-[4-(Isopropylthio)-2,5-dimethoxyphenyl]ethanamine
4 (2C-T-4).
5 (24) 2-(2,5-Dimethoxyphenyl)ethanamine (2C-H).
6 (25) 2-(2,5-Dimethoxy-4-nitrophenyl)ethanamine
7 (2C-N).
8 (26) 2-(2,5-Dimethoxy-4-(n)-propylphenyl)ethanamine
9 (2C-P).>

10 2. Page 1, after line 23 by inserting:
11 <Sec. _____. Section 124.401, subsection 1, paragraph
12 d, Code Supplement 2011, is amended to read as follows:

13 d. Violation of this subsection, with respect
14 to any other controlled substances, counterfeit
15 substances, or simulated controlled substances
16 classified in section 124.204, subsection 4, paragraph
17 "ai", section 124.204, subsection 6, paragraph "i",
18 or classified in schedule IV or V is an aggravated
19 misdemeanor. However, violation of this subsection
20 involving fifty kilograms or less of marijuana or
21 involving flunitrazepam is a class "D" felony.>

22 3. Page 1, after line 26 by inserting:
23 <Sec. _____. EFFECTIVE UPON ENACTMENT. The following
24 provisions of this Act, being deemed of immediate
25 importance, take effect upon enactment:

26 1. The section of this Act amending section
27 124.201, subsection 4.

28 2. The section of this Act amending section
29 124.204, subsection 4, paragraph "ai".

30 3. The section of this Act amending section
31 124.204, subsection 6.

32 4. The section of this Act amending section
33 124.401, subsection 1, paragraph "d".>

34 4. Title page, line 2, by striking <applicable> and
35 inserting <applicable, and including effective date
36 provisions>

By FRY of Clarke

SENATE FILE 2164

H-8290

1 Amend Senate File 2164, as passed by the Senate, as
2 follows:
3 1. Page 2, after line 4 by inserting:
4 <Sec. _____. Section 237A.5, subsection 2, Code 2011,
5 is amended by adding the following new paragraph:
6 NEW PARAGRAPH. 0g. A person subject to a record
7 check who is or was employed by a child care facility
8 or child care home provider and is hired by another
9 child care facility or child care home provider,
10 shall be subject to a record check in accordance with
11 this subsection. However, if the person was subject
12 to an evaluation because of a transgression in the
13 person's record and the evaluation determined that
14 the transgression did not warrant prohibition of the
15 person's involvement with child care and the latest
16 record checks do not indicate there is a transgression
17 that was committed subsequent to that evaluation,
18 the person may commence employment with the other
19 child care facility or provider in accordance with
20 the department's evaluation and an exemption from
21 any requirements for reevaluation of the latest
22 record checks is authorized. Authorization of an
23 exemption under this paragraph "0g" from requirements
24 for reevaluation of the latest record checks by
25 the department is subject to all of the following
26 provisions:
27 (1) The position with the subsequent employer
28 is substantially the same or has the same job
29 responsibilities as the position for which the previous
30 evaluation was performed.
31 (2) Any restrictions placed on the person's
32 employment in the previous evaluation by the department
33 shall remain applicable in the person's subsequent
34 employment.
35 (3) The person subject to the record checks has
36 maintained a copy of the previous evaluation and
37 provides the evaluation to the subsequent employer or
38 the previous employer provides the previous evaluation
39 from the person's personnel file pursuant to the
40 person's authorization. If a physical copy of the
41 previous evaluation is not provided to the subsequent
42 employer, the record checks shall be reevaluated.
43 (4) Although an exemption under this paragraph
44 "0g" may be authorized, the subsequent employer may
45 instead request a reevaluation of the record checks and
46 may employ the person while the reevaluation is being
47 performed.>
48 2. Title page, line 3, after <facilities> by
49 inserting <and child care facilities and homes>
50 3. By renumbering as necessary.

By LOFGREN of Muscatine
PETERSEN of Polk

H-8290 FILED MARCH 19, 2012

SENATE FILE 2311

H-8281

1 Amend Senate File 2311, as passed by the Senate, as
2 follows:
3 1. Page 3, line 25, after <3.> by inserting <a.>
4 2. By striking page 3, line 33, through page 4,
5 line 2, and inserting <and providing that ~~the project~~
6 a permanent soil conservation practice will not be
7 removed, altered, or modified so as to lessen its
8 effectiveness without the consent of the commissioners,
9 obtained in advance and based on guidelines drawn up by
10 the state soil conservation committee, for a standard
11 period of twenty years after the date of>
12 3. Page 4, after line 8 by inserting:
13 <b. Notwithstanding paragraph "a", the
14 commissioners may provide for a reduced period that
15 a permanent soil conservation practice will not be
16 removed, altered, or modified. The reduced period
17 may be for any number of years less than the standard
18 period, and may include related terms or conditions
19 agreed to by the commissioners and the owner of the
20 land. The commissioners shall not provide for a
21 reduced period unless all of the following apply:
22 (1) The reduced period is due to an extraordinary
23 condition or unforeseen circumstance as provided in
24 rules adopted by the division.
25 (2) The reduced period is in writing and the
26 reduced period together with any related terms or
27 conditions are included in the agreement as provided
28 in paragraph "a", an addendum to the agreement, or
29 a written waiver. Any addendum or waiver must be
30 filed with the agreement prior to the permanent soil
31 conservation practice being removed, altered, or
32 modified.>
33 4. By renumbering as necessary.

By ISENHART of Dubuque

H-8281 FILED MARCH 19, 2012

SENATE FILE 2312

H-8288

1 Amend Senate File 2312 as follows:
2 1. Page 4, by striking lines 9 through 11
3 and inserting <the district court or the clerk's
4 designee shall require the interested person referred
5 to in section 229.6, subsection 1, to request a
6 preapplication>
7 2. Page 5, by striking lines 6 through 8 and
8 inserting <section, the clerk or the clerk's designee
9 shall require the interested person referred to in
10 subsection 1 to request a preapplication screening
11 assessment pursuant>

By ANDERSON of Page

H-8288 FILED MARCH 19, 2012

SENATE FILE 2313

H-8283

1 Amend the amendment, H-8223, to Senate File 2313,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 15, before line 22 by inserting:

5 <Sec. _____. Section 8A.311, Code Supplement 2011, is
6 amended by adding the following new subsections:

7 NEW SUBSECTION. 12A. a. If the lowest responsive
8 bid received by the state or a political subdivision
9 for products or other purchases is from an out-of-state
10 business and totals less than five hundred thousand
11 dollars, and an Iowa-based business submitted a bid
12 which is within five percent or ten thousand dollars
13 of the price of the lowest bid, whichever is less,
14 the Iowa-based business which submitted the lowest
15 responsive bid shall be notified and shall be allowed
16 to match the lowest bid before a contract is awarded.

17 b. This subsection does not apply to a request
18 for bids or proposals for products or other purchases
19 associated with the following:

20 (1) Road or bridge construction or repair.

21 (2) Architectural or engineering services.

22 NEW SUBSECTION. 12B. a. A response to a request
23 for bids or proposals for products or other purchases
24 by the state or a political subdivision which totals
25 less than five hundred thousand dollars in value shall
26 contain the following information:

27 (1) The percentage of the ownership of the
28 submitting business which is held by Iowa residents.

29 (2) The percentage of the employees who will be
30 carrying out work in connection with the contract
31 who are Iowa residents. For the purposes of this
32 paragraph, "employee" includes part-time, temporary,
33 contract, and substitute employees, and includes
34 employees of any contractors or subcontractors.

35 (3) An estimate of the percentage of purchases
36 to be made by the submitting business in connection
37 with the contract that will be made from Iowa-based
38 businesses.

39 (4) The amount of property tax paid by the
40 submitting business during the most recently completed
41 fiscal year for which such a figure is available.

42 b. This subsection does not apply to a request
43 for bids or proposals for products or other purchases
44 associated with the following:

45 (1) Road or bridge construction or repair.

46 (2) Architectural or engineering services.

47 NEW SUBSECTION. 12C. Subsections 12A and 12B do
48 not apply to procurement of or for public improvement
49 projects.>

50 2. By renumbering as necessary.

By THOMAS of Clayton

H-8283 FILED MARCH 19, 2012

SENATE FILE 2313

H-8286

1 Amend the amendment, H-8223, to Senate File 2313,
2 as amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 8, by striking line 3 and inserting
5 <240,957>
6 2. Page 8, by striking line 11 and inserting
7 <512,890>
8 3. Page 8, by striking line 18 and inserting
9 <1,133,580>
10 4. Page 8, by striking line 31 and inserting
11 <3,448,670>
12 5. Page 9, by striking line 19 and inserting
13 <40,950>
14 6. Page 9, by striking line 38 and inserting
15 <2,680,290>
16 7. Page 10, by striking line 10 and inserting:
17 \$ 1,240,950>
18 8. By striking page 10, line 23, through page 11,
19 line 19.
20 9. Page 12, by striking line 19 and inserting
21 <1,575,180>
22 10. Page 15, by striking lines 7 through 21.
23 11. Page 16, after line 7 by inserting:
24 <Sec. ____ . REPEAL. 2011 Iowa Acts, chapter 129,
25 section 149, is repealed.>
26 12. By renumbering as necessary.

By KELLEY of Jasper

H-8286 FILED MARCH 19, 2012

SENATE FILE 2314

H-8289

1 Amend Senate File 2314, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 3, line 19, by striking <40,607,023> and
4 inserting <40,327,023>
5 2. Page 3, line 29, by striking <232,672,498> and
6 inserting <231,872,498>

By WAGNER of Linn

H-8289 FILED MARCH 19, 2012



HF 2445 – College Textbook Sales Tax Holiday (LSB 6093HV)

Analyst: Shawn Snyder (Phone: 515-281-7799) (shawn.snyder@legis.state.ia.us)

Fiscal Note Version – New

Description

House File 2445 provides a sales tax holiday for the sales of college textbooks. Eligible college textbooks will be exempt from sales tax if purchased between the first Friday and Saturday in August and January each year.

Background

Currently, the sales price of college textbooks are exempt if the purchases are made at a store owned and operated by the institution. However, students purchasing textbooks from the Iowa State University bookstore and the University of Iowa bookstore are charged sales tax and are required to submit sales tax refund forms to the Iowa Department of Revenue to receive the sales tax exemption.

Assumptions

- Of the 244,831 postsecondary students enrolled in Iowa, 63.9% are full-time and 36.1% are part-time.
- The annual average cost of college textbooks is \$1,177 for full-time students in FY 2012. The estimated growth factor in the cost of college textbooks is 3.5% annually.
- The percentage of students that obtain college textbooks is 96.0% and the estimated percentage of students that rent, borrow, or purchase college textbooks online is 14.5%.
- The estimated sales generated from the sales of college textbooks from Iowa college or university-owned bookstores totals approximately \$45.8 million. Community colleges that own and operate on-campus bookstores do not charge sales tax for college textbooks. The University of Iowa and Iowa State University operate bookstores and charge sales tax. Although the State may be receiving sales tax revenue from these sales, they should currently be exempt from sales tax.
- The estimated amount of college textbooks sales currently not eligible for the sales tax exemption will total \$162.2 million in FY 2013 and \$168.9 million in FY 2014.
- Approximately 90.0% of total textbook sales occur in August and January for colleges starting semesters in those months.
- The sales tax holiday dates will align closely with college semester start dates.
- Assumes that 6.5% of total textbook sales will occur during the two-day sales tax holiday period in each month. This ratio could vary depending on the proximity of the sales tax holiday to the start of the each college's semester.

Fiscal Impact

The following table provides the estimated fiscal impact of **HF 2445**. Overall, the estimated sales/use tax reduction amount will be \$1.1 million in FY 2013 and \$1.2 million in FY 2012, and similar amounts in future fiscal years. The estimated impact to the General Fund will be a reduction in sales/use tax receipts totaling \$0.9 million in FY 2013 and \$1.0 million in FY 2014 (and similar amounts in future fiscal years). The estimated impact to the Secure an Advanced Vision for Education Fund is a reduction of \$0.2 million in FY 2013 and future fiscal years.

Statewide, the local option sales tax revenues will be reduced by less than \$200,000 in FY 2013 and future fiscal years.

	Estimated Change in State Sales Tax Revenue	Estimated General Fund Impact	Estimated SAVE Fund Impact	Estimated Impact to Local Option Sales Tax
FY 2013	\$ -1,127,072	\$ -939,226	\$ -187,845	\$ -163,425
FY 2014	\$ -1,166,519	\$ -972,099	\$ -194,420	\$ -169,145

Sources

Iowa Department of Revenue

Iowa Department of Education

Iowa Board of Regents

Krey, N., Clow, K. & Babin, L. (Fall 2009): *Where Do College Students Purchase Textbooks*,
International Journal of Education Research, Volume 4, Number 3

Annual Survey of Colleges, The College Board

National Center of Education Statistics, Integrated Postsecondary Education Data System

Legislative Services Agency analysis and calculations

/s/ Holly M. Lyons

March 16, 2012

The fiscal note for this bill was prepared pursuant to **Joint Rule 17** and the correctional and minority impact statements were prepared pursuant to **Iowa Code section 2.56**. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.



HF 2441 – Lease Debt Service (LSB 5480HV)
Analyst: Jeff Robinson (Phone: 515-281-4614) (jeff.robinson@legis.state.ia.us)
Fiscal Note Version – New

Description

[Iowa Code chapter 346](#) allows a county, in cooperation with its county seat city, to create an authority for the purpose of acquiring, building, and operating a joint city/county public building. [House File 2441](#) moves the source of revenue for payment of costs associated with the authority from the county supplemental or city additional levy to the debt levy. The levy to support the authority is also exempted from revenue diversion through Tax Increment Financing (TIF). The change is first effective FY 2014.

Background

Scott County, and perhaps other cities and counties, has utilized [Iowa Code section 331.424\(1\)\(a\)\(5\)](#) to levy a property tax to raise revenue for lease payments on a joint city/county building. The levy available by law is the county supplemental levy. The Scott County lease payment is \$2.125 million per year.

County supplemental levies are not exempt from diversion through TIF. Debt service levies are exempt from TIF. Therefore, in a county where a portion of the value is in a TIF increment, it takes a higher supplemental levy to generate a given level of revenue than would be the case if the debt service levy is used.

The tax base of Scott County is 4.9% within various TIF increment areas. Nine cities have TIF increment areas active for FY 2013.

Fiscal Impact

This change will allow Scott County, and any other city or county in a similar situation, to switch the source of revenue for making a lease payment from the county supplemental levy to the county debt service levy. Currently, using the supplemental levy as the revenue source for the lease payment means that only revenue from the non-TIF increment portion of the county is available. With the change in the Bill, the revenue from property value that is in a TIF increment will also be used to make the lease payment. As a result, a property tax rate that is \$0.0142 per \$1,000 lower will be necessary to raise the \$2.125 million lease payment. This should result in a lower overall Scott County property tax rate beginning in FY 2014. With or without the change, the same revenue is raised, but with the change the tax rate needed is lower. **Table 1** provides the impact to Scott County.

Table 1 - Impact on Scott County

	Taxable Value in Millions	Revenue Needed for Lease Payment in Millions	Property Tax Rate Needed to Raised Required Revenue (\$/thousand)
Scott County	\$ 7,345	\$ 2.125	\$ 0.2893
Scott County, including TIF Increment Value	7,725	2.125	0.2751
Difference	\$ 380	\$ 0.000	\$ -0.0142

However, removing the lease payment portion from the supplemental levy and adding it to the debt service levy will mean a lower tax rate available for TIF. This is because the debt service levy is exempt from TIF, but the supplemental levy is not. As a consequence, all Scott County cities that utilize TIF will see a lower yield from their current TIF increment values. **Table 2** provides the TIF revenue reduction expected. **Table 2** is based on FY 2013 increment values and the assumed lease payment tax rate of \$0.2893 per \$1,000.

Table 2 - Impact on City TIF

	Property Tax Revenue Change
Bettendorf	\$ -21,662
Blue Grass	-4,754
Davenport	-33,547
Donahue	-208
Eldridge	-8,550
Le Claire	-30,310
New Liberty	-242
Princeton	-454
Walcott	-10,083
TIF Revenue Reduction	\$ -109,810

The information in **Table 2** is based on FY 2013 TIF increment values and FY 2014 could be different. The cities may have options available to make up the reduced TIF revenue this change would necessitate. The options will include claiming additional increment value that they would otherwise not claim, or extending the time necessary to retire TIF debt. Both options will result in higher property tax rates in FY 2014 and subsequent years, although the rate increase will just offset the decrease in the Scott County rate shown in **Table 1**.

Sources

Scott County
Department of Management Property Tax Data Files

/s/ Holly M. Lyons

March 15, 2012

The fiscal note for this bill was prepared pursuant to **Joint Rule 17** and the correctional and minority impact statements were prepared pursuant to [Iowa Code section 2.56](#). Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
